

## 1. Corporate Information

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## 2. If a subsidiary or affiliate of a parent organization, corporate information of parent organization

Not applicable.

## 3. State of incorporation or where otherwise organized to do business

AMERIGROUP Corporation is incorporated in the State of Delaware with health plan subsidiaries in Florida, Georgia, Illinois, Maryland, New Jersey, New York, Ohio, Texas, Virginia, and the District of Columbia.

## 4. States where currently licensed to accept risk and a description of each license

AMERIGROUP Corporation is currently licensed to accept risk in the states listed below. A description of each license is also included.

State	Description of Each License
Florida	Certificate of authority to transact business as an HMO
Georgia	Certificate of authority to transact business as an HMO
Illinois	Certificate of authority to transact business as an HMO
Maryland	Certified to participate in the Health Choice Program
New Jersey	Certificate of authority to transact business as an HMO
New York	Certificate of authority to transact business as an HMO
Ohio	Certificate of authority to transact business as an HMO
Texas	Certificate of authority to transact business as an HMO
Virginia	Certificate of authority to transact business as an HMO
District of Columbia	Certificate of authority to transact business as an HMO

## 5. Contact Information

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## 6. Program Experience - General

**Do you have at least three years Medicaid experience under capitation? If yes, please identify the states and contract periods. If no, do you have at least three years of experience under capitation in another market?**

Yes. AMERIGROUP has more than 10 years' experience operating under capitated arrangements with our state clients. Unlike many managed care organizations that concentrate on commercial lines of business, AMERIGROUP focuses exclusively on the TANF, SCHIP, ABD/SSI, uninsured (FamilyCare), and Medicare Special Needs Program (SNP) populations. AMERIGROUP has developed the expertise in serving public sector populations allowing us to become the largest publicly-traded company focused solely on Medicaid and other publicly-funded healthcare programs. Our success is a result of achieving high member and provider satisfaction, building deep community relationships, establishing strategic partnerships with state regulatory and legislative agencies, developing replicable processes and standardized systems through our operational excellence program, and developing effective, targeted case and disease management programs. Our integrated medical management model is designed specifically for the Medicaid population. Details about this model are provided throughout this RFI response.

Below we list our current clients and indicate the corresponding initial contract start dates. For membership information, please see our response to Question #8.

Current Client List	Client Since:
<b>District of Columbia</b> (Medicaid, SCHIP, FamilyCare) District of Columbia Department of Health Medical Assistance Administration	08/01/99
<b>Florida</b> (Medicaid) Agency for Healthcare Administration	01/01/03
<b>Florida</b> (SCHIP) Florida Healthy Kids Corporation	01/01/03
<b>Florida</b> (SSI) Florida Dept of Elder Affairs	01/01/03
<b>Georgia</b> (Medicaid, SCHIP) Department of Community Health	Operations begin 04/2006
<b>Illinois</b> (Medicaid SCHIP) Illinois Department of Public Aid Bureau of Contract Management, Managed Care	04/01/96
<b>Maryland</b> (Medicaid, SCHIP, SSI) Maryland Department of Health and Mental Hygiene (DHMH)	06/01/99
<b>New Jersey</b> (Medicaid, SCHIP, FamilyCare, SSI) New Jersey Department of Human Services	02/01/96
<b>New York City</b> (Medicaid) New York City Department of Health and Mental Hygiene (Operating since 1996; acquired by AMERIGROUP 01/05)	01/01/05
<b>New York</b> (Medicaid) State of New York Department of Health (Operating since 1996; acquired by AMERIGROUP 01/05)	01/01/05
<b>New York</b> (SCHIP) State of New York Department of Health (Operating since 1996; acquired by AMERIGROUP 01/05)	01/01/05
<b>New York</b> (LTC) State of New York Department of Health (LTC program operations begin 12/01/05)	08/31/05

Current Client List	Client Since:
<i>Ohio (Medicaid, SCHIP)</i> Ohio Department of Jobs and Family Services	08/01/05
<i>Texas (Medicaid)</i> Texas Health and Human Services Commission Fort Worth Travis Dallas Houston (SNP – live 01/01/06)	09/01/96 06/01/04 07/01/99 12/01/97
<i>Texas (SCHIP)</i> Texas Health and Human Services Commission	05/01/00
<i>Texas (SSI/STAR+PLUS)</i> Texas Health and Human Services Commission	01/01/98
<i>Virginia (Medicaid, SSI)</i> Virginia Department of Medical Assistance Services	07/01/05
<i>Virginia (SCHIP)</i> Virginia Department of Medical Assistance Services	07/01/05

## Summary

AMERIGROUP looks forward to receiving the RFP for the TennCare procurement. We recognize and appreciate the experience the State has had with the TennCare program, as well as where the State wants to take the program. Throughout our more than 10 years as Medicaid managed care organization, we have seen many variations of programs consulting with many states to help them understand the pros and cons of program design. Taking into consideration TennCare's approach outlined in this RFI, there are key points we would like to make with respect to program components that we feel are important to a successful transition.

- Mandatory enrollment.** AMERIGROUP supports an annual open enrollment period where members are allowed to select an MCO and if no selection is made, then the State would auto-assign the member per a pre-determined algorithm. We recommend the State allow a 30 to 60 day period after the open enrollment when a member can change their MCO assignment. After that period the State should lock-in the member for the remainder of the 12 month period providing stability to the healthcare service delivery and care management. Mandatory enrollment with the ability for members accomplishes the following:
  - Provides members an opportunity to experience the benefits of a medical home and care coordination.
  - Gives members sufficient time to learn about their MCO, their health options, and ways to access care.
  - Provides a mechanism for the MCOs to obtain a large enough membership to help their financial viability
- Limiting the number of MCO awards to a maximum of three.** Limiting the number of MCOs in the market to no more than three helps ensure enough membership to promote financial viability for the MCOs.
- MCO covered services should include LTC services.** AMERIGROUP has found that managing the full continuum of services for the member takes the greatest advantage of coordination of care. Our

experience in managing the members who are in LTC services offers the member new choices where many are able to stay within the community, reducing the costs of their care and providing increased satisfaction for the member. Advantages of including long-term care in the program benefits are:

- Members will receive a level of continuity of care that promotes better health outcomes
  - Provides an effective avenue for MCOs to place LTC members in the most appropriate setting which in many cases is in community based programs and out of nursing homes
  - Reduced institutional costs
  - Increased member satisfaction.
- **Out-of-Network provision.** As the TennCare program transitions to the full-risk model, the development of new networks broad enough to provide excellent access for members is critical. As has been done in other States, e.g. Georgia Cares Program, the State should establish a solid out-of-network provision. A requirement that provides incentive for out-of-network providers to contract with MCOs improves access for enrollees and helps controls costs.
- **Integrated mental health benefits.** AMERIGROUP is committed to the integration of physical and behavioral health as the best solution for the member and the program. We do have experience with other models but have found that the integrated model provides the best care management for the member.
- **Quality measures.** AMERIGROUP encourages the State to rely on real measures of quality, such as NCQA accreditation, HEDIS, etc. AMERIGROUP supports the measurement of quality based upon health outcomes.
- **Financially sound rates.** While CMS now requires rates to be “actuarially sound,” this standard is only a measure of the adequacy of the methodology for calculating the rates. We encourage the State to ensure the rates are “financially sound” or adequate to provide the services required by the contract, while allowing the MCO sufficient funds to cover administrative costs of capital and normal profit requirements. AMERIGROUP, as any MCO, evaluates each opportunity as an investment seeking to cover costs and make a reasonable return on that investment. AMERIGROUP would welcome the opportunity to meet with the State and its actuaries to discuss this in greater detail.